



DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

[RTID 0648-XC384]

Adjustment of Fees for Seafood Inspection Services

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Notice of a revised fee schedule for seafood inspection services.

SUMMARY: The NMFS Seafood Inspection Program is notifying program participants of a revised fee schedule.

DATES: The revised fee schedule applies to services rendered as of November 1, 2022, until notified otherwise.

FOR FURTHER INFORMATION CONTACT: Steven Wilson, Office of International Affairs, Trade, and Commerce, 301-427-8350 or at steven.wilson@noaa.gov.

SUPPLEMENTARY INFORMATION: The National Marine Fisheries Service (NMFS) operates a fee-for-service Seafood Inspection Program (Program) under the authorities of the Agricultural Marketing Act of 1946, as amended, the Fish and Wildlife Act of 1956, and the Reorganization Plan No. 4 of 1970. The regulations implementing the Program are contained in 50 CFR part 260 and 261. The Program offers inspection, grading, and certification services, including the use of official quality grade marks, which indicate that specific products have been federally inspected. Those wishing to participate in the program must request the services and submit specific compliance information. Since 1992, NMFS implemented inspection services based on guidelines recommended by the National Academy of Sciences, known as Hazard Analysis Critical Control Point (HACCP).

Under the implementing regulations for the Program, fees are reviewed at least annually to ascertain that the hourly fees charged are adequate to recover the costs of the services rendered. Any necessary adjustments to fees are made in accordance with the requirements of 50 CFR 260.81 and are notified to program participants as stipulated at 50 CFR 260.70. This ***Federal Register*** notice serves to inform program participants of an adjusted fee schedule, effective November 1, 2022.

Program costs used for the calculation of user fees include all relevant direct and indirect costs to the program, and applicable administrative overhead and surcharges. Program fees must be set to promote full cost recovery of the program absent other appropriations.

Program costs include all field operations, program administrative overhead, and management, and include expenses for labor for inspectors, facilities, information technology infrastructure, and other operational costs. The Program fees are set to recover those costs based on revenue projections from expected billable service hours and the number of certificate requests. Forecasts of demand for services use historical data on actual billed services that are adjusted annually for inflation, known events that might affect the predicted output of billable services, and seasonality of when forecasted services will take place throughout the year.

The magnitude of the change to fees is larger than in previous rate increases. NOAA had sought to limit drastic and unpredictable changes to fees while industry operations were disrupted by the COVID 19 pandemic and now is making adjustments in an effort to ensure full cost recovery, as nearly as possible, for the program for FY23. The fees for some services will remain unchanged or will change modestly based on the latest calculations of service costs, while other fees will increase more significantly than previous rate increases. We do not expect the program will need such significant fee increases in the future, assuming no unexpected changes in the demand for services.

NMFS will adjust its fees as outlined in this notice, which will apply until notified otherwise. Fees will be charged to contract and non-contract customers requesting services as listed below. The cost of other applicable services rendered will be recovered through fee collection using the base rate of \$238 per hour.

NMFS will continue to monitor revenues and expenses and will use adaptive adjustments to react to changing levels of demand and expenses. Future fee changes will be announced if needed to promote full cost recovery and to ensure the level and structure of reasonable fees are consistent with the cost of the services rendered and in accordance with financial requirements. NMFS will also reduce fee levels if revenues are projected to exceed expenses, with the goal of recovering costs as nearly as possible.

Revised Fees and Charges for the U.S. Department of Commerce (USDC) Seafood Inspection Program

Effective November 1, 2022, per hour fees and charges for fishery products inspection services will be as follows. The base contract and non-contract rates will increase by 45 percent from the current established rate and will apply until notified otherwise. The rate for certificate requests will be reduced by 2 percent based on current estimates of the cost of delivering the service. The rate for HACCP/QMP (Quality Management Program) contract services will decrease by 12 percent based on current estimates of the cost of delivering the service. Any travel associated with a billable service will be an additional charge.

Contract Rates

Regular time: Services provided during any 8-hour shift.

Overtime: Services provided outside the inspector's normal work schedule.

In addition to any hourly service charge, a night differential fee equal to 10 percent of the employee's hourly salary will be charged for each hour of service provided after 6 p.m. and before 6 a.m. A guarantee of payment is required for all contracts equal to three

months of service or \$10,000, whichever is greater.

Non-Contract Rates

Regular time: Services provided within the inspector's normal work schedule, Monday through Friday.

Overtime: Services provided outside the inspector's normal work schedule.

Any services under contract in excess of the contracted hours will be charged at the non-contract rate.

Contract Rates

Non-HACCP Contracts

REGULAR TIME	\$238.00
OVERTIME	\$357.00
SUNDAY & HOLIDAYS	\$476.00

HACCP/QMP Contracts

HACCP REGULAR	\$238.00
HACCP OVERTIME	\$357.00
HACCP SUNDAY & HOLIDAYS	\$476.00

All Non-Contract Work Rates

REGULAR TIME	\$357.00
OVERTIME	\$536.00
SUNDAY & HOLIDAYS	\$714.00

Certificates

All certificate requests, whether or not a product inspection was conducted, will be billed at a set flat rate of \$97 per request.

Additional information about, and applications for, Program services and fees may be obtained from NMFS (see **FOR FURTHER INFORMATION CONTACT**).

Dated: September 28, 2022.

Alexa Cole,

*Director, Office of International Affairs, Trade, and Commerce,
National Marine Fisheries Service.*

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